

REMARKS

Reconsideration of this application in view of the following remarks is respectfully requested.

Extension of Time

This Reply is accompanied by a Petition for An Extension of Time. In accordance with the Petition, the due date for responding to the June 22, 2005 Office Action is extended to December 22, 2005.

Claims 1-3 and 5-14

This Reply is in response to the June 22, 2005 Office Action on the above-identified patent application. Claim 90 has been canceled and its features incorporated into claim 1 to more particularly define the invention.

In the June 22, 2005 Office Action, claims 1-3, 9-12, and 90 were rejected under 35 U.S.C. §103(a) as being unpatentable over Gopinathan et al. U.S. Patent No. 5,819,226 (hereinafter "Gopinathan") in view of Gavan et al. U.S. Patent No. 6,601,048 (hereinafter "Gavan"). Claims 5, 6, 8, 13, and 14 were rejected under 35 U.S.C. §103(a) as being unpatentable over Gopinathan in view of Gavan and Agrafiotis et al. U.S. Patent No. 6,453,246 (hereinafter "Agrafiotis"). These rejections are respectfully traversed.

Applicant's invention relates to building a fraud detection and prevention model software component to detect and prevent electronic fraud. The software component has multiple sub-models for detecting fraud. Each different sub-model implements a different intelligent fraud detection technology. One sub-model uses neural network technology and another sub-model uses rule-based reasoning technology. Additional sub-models use data mining technology and case-based reasoning technology.

In accordance with the invention, a custom software component is built using a model training interface. Using the model training interface, it is possible to select precisely which sub-models are incorporated into the fraud detection and prevention model software component. If, for example, a particular sub-model is not desired, this sub-model can be left out of the fraud detection and prevention model software component during the model generation process. An advantage of this model building approach is that it allows different modeling technologies to be applied in different situations without custom coding.

The ability of applicant's model training interface to be used to generate a customized model by selecting desired sub-models was previously set forth in claim 90 and has now been incorporated into amended claim 1.

Nothing like applicant's claimed model generation feature is shown or suggested by the prior art.

The Gopinathan patent is directed to fraud prevention using a conventional neural network approach. (See, e.g., FIGS. 7 and 8 and column 4, lines 31-42 in Gopinathan.) As the Office Action correctly notes, there is nothing in Gopinathan related to using sub-models for neural network technology, rule-based reasoning technology, data mining technology, and case-based reasoning technology as required by claim 1.

The Gavan patent, on which the Office Action relied to make up for the deficiencies of Gopinathan, describes various fraud detection methods, but does not show or suggest applicant's claimed sub-models, let alone selecting which sub-models are to be included in a fraud detection and prevention model software component.

In rejecting former claim 90, the Office Action relied on the passage of Gavan at column 13 lines 13-35. The passage of Gavan at column 13 lines 13-35 states:

"Presentation layer 143 preferably includes a plurality of workstations 152a-152n connected to each other and to expert system 140 via a local area network LAN 150, a wide area network (WAN), or via any other suitably interfacing system. Thus, throughout the remainder of this

document, where LAN 150 is referred to, it should be understood that a WAN or any other suitable interfacing system can be substituted. Workstations 152a-152n can be conventional personal computers and can operate as clients having specific software which provides a graphical user interface (GUI) to the system."

This passage describes how Gavan's workstations and personal computers may be used to implement a graphical user interface and are interconnected in a network. There is no mention of implementing sub-models of any sort, let alone sub-modules that respectively implement neural network technology, rule-based reasoning technology, data mining technology, and case-based reasoning technology. Moreover, there is no mention of generating a fraud detection and prevention model software component by selecting which sub-models are to be included in the fraud detection and prevention model software component.

Claim 1 is directed toward a method for generating a fraud detection and prevention model software component. With the method of claim 1, the model software component is generated from sub-models, each of which implements a different technology. A model training interface is used to select which sub-models are to be included in the fraud detection and prevention model software component. Because the Gopinathan and

Gavan patents fail to disclose generating a fraud detection and prevention model software component by selecting which sub-models are to be included in the fraud detection and prevention model software component, claim 1 is patentable over Gopinathan and Gavan, even if these references are combined as urged in the Office Action.

Claim 1 is also patentable because the Office Action has failed to make out a proper prima facie case of obviousness under 35 U.S.C. §103. In particular, the Office Action has not provided a proper prior art motivation for combining the Gopinathan and Gavan patents. In the Office Action, it was suggested that Gopinathan and Gavan should be combined because this would "provide a strong and detail analyzation and detection system to prevent fraudulent." (Office Action, page 3, in connection with the rejection of claim 1.)

However, this statement is not supported by the prior art. For example, at column 1, lines 58-67, Gavan specifically criticizes the use of manual processes for analyzing fraud data. If the manual Gopinathan approach of involving a human decision-maker in processing each transaction were using in Gavan's fraud detection system as proposed in the Office Action, the Gavan system would be needlessly slowed and forced to use techniques that Gavan has specifically discredited. The prior art therefore teaches away from making the combination of Gopinathan

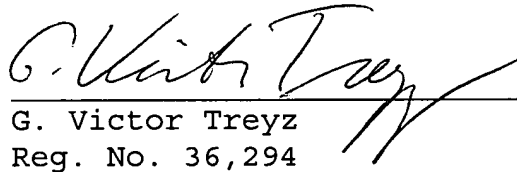
and Gavan that is proposed in the Office Action rather than supporting the proposed combination. Claim 1 is therefore patentable for this additional reason.

The foregoing demonstrates that claim 1, and claims 2, 3 and 5-14, which depend from claim 1, are in condition for allowance. This application is therefore in condition for allowance. Reconsideration and allowance of the application are respectfully requested.

Respectfully submitted,

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Date



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